



CHAPTER 5

JOB ORGANIZATION AND SALARY STRUCTURE

INTRODUCTION

The Compensation Management System increases organizational flexibility, emphasizes career development, fosters a flatter organizational structure and supports changes in job and work design. Conversely, the former salary structure was hierarchical, placed emphasis on job duties and responsibility differences and offered limited recognition of professional development and career growth opportunities for employees.

The Compensation Management System includes a consolidated job organization structure and a banded salary structure. The job organization and **pay band salary structure** incorporates the wide variety of work performed by the Commonwealth's classified employees.

The method in which jobs are organized changes from a classification system consisting of 1,650 job classes to a consolidated one of approximately 300 broad job **Roles**. The job organization structure consists of 7 **Occupational Families**, approximately 60 **Career Groups** and approximately 300 **Roles**. Each **Role** describes the broad array of similar positions that are reflective of different levels of work within a **Career Group** or occupational field and are assigned to one of the pay bands. The approximate 300 **Roles** cover the array of jobs of the Commonwealth's classified workforce. All agency unique and central agency specific job classifications have been consolidated into this job organization structure.

The **pay band salary structure** consists of 9 broad pay bands that replace the former **graded pay plan** of 23 salary grades. The transition from a **graded pay plan** to the **pay band salary structure** was a result of a comprehensive analysis of the class specifications and a review of "best practices" adopted by public and private organizations with similar pay banding structures and alternative pay practices. The review included an in-depth analysis and grouping of the classifications that had similar duties and responsibilities and comparable knowledge, skills, abilities and qualifications.

Different combinations of the former salary grades were studied to determine the most logical grouping to achieve the objective of broader salary ranges. Several different models featuring 5 to 10 pay bands were reviewed. Dividing the former plan's 23 salary grades by 3 thus creating 8 pay bands appeared to be the most logical model. The final determination of the number of pay bands was based on the analysis and grouping of similar job classifications. The 9th pay band (beyond grade 23) was added to specifically address Mental Health physicians that serve as either Facility Directors or Medical Directors at facilities.

JOB ORGANIZATION STRUCTURE

The job organization structure is arranged into ***Occupational Families, Career Groups*** and ***Roles***. ***Career Groups*** and ***Roles*** are described in ***Career Group Descriptions***.

Occupational Family

An ***Occupational Family*** is a broad grouping that includes jobs that share similar vocational characteristics. The primary criterion for designation to a particular ***Occupational Family*** relates to the nature and type of work performed. The 7 ***Occupational Families*** include:

- Administrative Services
- Engineering and Technology
- Natural Resources and Applied Sciences
- Health and Human Services
- Educational and Media Services
- Trades and Operations
- Public Safety

Career Group

A ***Career Group*** is a major subgroup of the ***Occupational Family*** that identifies a specific occupational field common to the labor market (e.g. Procurement, Forensic Science, Equipment Repair, Financial Services, Information Technology, Dentistry, Architecture and Capital Outlay, etc.).

Role

A **Role** describes an array of similar positions that are a reflection of different levels of work or career progression within a **Career Group**. **Roles** are intended to be very broad with a single **Role** encompassing several former job classifications. For example, the Accountant (grade 9), Budget Analyst (grade 10), Auditor-Internal (grade 11) and Auditor-External (grade 11) in the former classification system are consolidated into one **Role**. Each **Role** is assigned to a specific pay band within the salary structure.

The number of **Roles** in a **Career Group** varies from one **Career Group** to another. Additionally, some **Career Groups** have dual tracks for career advancement. For example, a **Career Group** may have a non-management track with entry, senior, and expert **Roles** and a management track with manager and director **Roles**. The manager's **Role** may be parallel to and within the same pay band as the staff expert **Role**.

Career Group Description

A **Career Group Description** specifies the nature and type of work associated with a particular occupational field and identifies the progression of **Roles** within a **Career Group**. The Department of Human Resource Management maintains the master file of **Career Group Descriptions** (see Chapter 7 – Career Group Studies).

Position

A **Position** defines the specific core responsibilities, duties and any special assignments assigned to an employee. Through an analysis of the core responsibilities and special assignments (job evaluation process), a **Position** is assigned to a **Role**. Each position is assigned the following titles:

- **Role Title**

The **Role Title** is the formal State title that the employee's position has been assigned. The **Role Title** should be used for State reporting purposes.

- **Salary Reference Title**

The **Salary Reference Title** is a descriptive title commonly understood and widely recognized in the labor market. The **Salary Reference Title** will be used for market surveying purposes and may be linked to the federal **Standard Occupational Classification System (SOC)**. (For transitional purposes, the class title in the former system will be retained until the SOC system is adopted.)

- **Work Title**

A **Work Title** is an agency-specific, or functional title, that is descriptive of the overall purpose of a position. Agencies may use **Work Titles** in conjunction with the employee's formal **Role Title** to help facilitate the recruitment process. **Work Titles** and **Salary Reference Titles** may be the same.

Employee Work Profiles

The **Employee Work Profile** is the official state form that lists the core responsibilities, duties and any special assignments assigned to a specific **Position** and incorporates the employee performance plan. Agencies may continue to use the Position Description and Performance Evaluation forms or develop their own forms as long as they include all the data elements and information contained in the **Employee Work Profile**. The **Employee Work Profile** is the principle source document for evaluating and allocating the position to the appropriate **Role** (see Appendix E, Employee Work Profile).

JOB ORGANIZATION STRUCTURE TERMINOLOGY

Former	New
Occupational Group	Occupational Family
Class Series	Career Group
Job Class	Role
Position	Position
Class Title	Role Title
Benchmark	Salary Reference Title
Working Title	Work Title
Class Specification	Career Group Description
Position Description	Employee Work Profile

SALARY STRUCTURE

Pay Bands

Effective September 25, 2000, the Commonwealth implemented a salary structure consisting of 9 pay bands with open ranges (no steps). The first eight bands have an expanded range spread of approximately 105% between the minimum and maximum salaries. These pay bands have established minimum and maximum salaries. The ninth pay band that is exclusively established for Mental Health physicians that serve as either Facility Directors or Medical Directors does not include a specified maximum salary but is set to market.

STATE SALARY STRUCTURE **(Salaries based on 11-25-99 structure)**

Pay Band	Minimum Salary	Maximum Salary
Pay Band 1	\$12,689	\$ 26,042
Pay Band 2	\$16,577	\$ 34,021
Pay Band 3	\$19,811	\$40,659
Pay Band 4	\$25,881	\$53,116
Pay Band 5	\$33,811	\$ 69,391
Pay Band 6	\$44,171	\$ 90,653
Pay Band 7	\$57,706	\$118,432
Pay Band 8	\$75,387	\$154,719
Pay Band 9 (only Mental Health Physicians functioning as Medical Facility Directors or Medical Directors)	\$98,486	MARKET

The Department of Human Resource Management (DHRM) provides a guide that includes all formulas and rounding guidelines for calculating an employee's compensation which is outlined below and also available on DHRM's website.

Hourly and daily rates are used in preparing payroll and related documents. For leave balance payments, base hourly rates, and overtime rates:

Monthly Rate	=	Annual Rate divided by 12
Pay Period Rate	=	Monthly Rate divided by 2
Weekly Rate	=	Annual Rate divided by 52
Hourly Rate	=	Weekly Rate divided by 40
Daily Rate	=	Hourly Rate multiplied by 8

When an employee begins or ends service other than on the first day of a pay period or is on leave without pay for part of a pay period, he/she receives for days worked a daily amount that is proportionate to the number of days he/she was scheduled to work during the pay period. In such instances:

Daily Rate	=	Pay Period (or Semi-monthly) Rate divided by the number of workdays scheduled in the pay period.
Partial Days Rate	=	Daily Rate is divided by 8 and the result multiplied by the number of hours worked.

All amounts are rounded to the nearest penny.

Competitive Differentials

A **Competitive Differential** is an extension to the maximum salary in an existing pay band and is used for select jobs based on local market conditions. **Competitive Differentials** are approved by the Department of Human Resource Management (DHRM) and entered into PMIS. **Competitive Differentials** may apply to specific positions, **Roles**, **Standard Occupational Classifications (SOC Codes)**, locations, and/or pay areas within any agency.

Competitive Differentials allow agencies to pay higher salaries where justified by local market conditions. They are typically applied as a percentage increase to the pay band minimum and maximum. For example, if a 10% differential were applied to selected positions in Band 4, the **Competitive Differential** for those positions would be from (\$25,881 * 1.1 =) \$28,469 to (\$53,116 * 1.1 =) \$58,428. Employees receive the differential in their base pay as long as they meet eligibility criteria to receive it.

- **Northern Virginia Differentials**

Northern Virginia Differentials vary from 9% to 30% based on market data. They are applied in much the same way as **Competitive Differentials**. However, they are not agency specific. Rather, they are available to all agencies with positions in northern Virginia. For this reason, separate pay band ranges are maintained on PMIS for the northern Virginia (FP) pay area.

Sub-Bands

A ***Sub-Band*** is an identified segment of an existing pay band with a specified minimum and maximum salary within that pay band. In some situations agencies may want to establish ***Sub-Bands*** to manage employees' salaries within their pay bands. ***Sub-Bands*** are not intended for application to most employees. Law enforcement ranks are an example of where using ***Sub-Bands*** may be appropriate. ***Sub-Bands*** are entered into PMIS as a ***Competitive Differential*** by the agency using them. They may be of any width so long as they fall within the limits of the assigned pay band.

STATE PAY PLAN

The State Pay Plan is an annual DHRM publication that includes the following items:

- a current State Salary Structure;
- a schematic list of ***Career Groups*** and ***Roles*** by ***Occupational Family***, and
- an alphabetical list of ***Career Groups*** and ***Roles***

Schematic List

The schematic list displays the ***Occupational Families***, ***Career Groups*** and ***Roles*** numerically by a five-digit identification code. The first two digits identify the ***Occupational Family***; the first four digits identify the ***Career Group***; and the entire five-digit number identifies the specific ***Role***.

Alphabetical List

The alphabetical list displays all ***Career Groups*** and their respective ***Roles*** and includes the pay bands, NOVA differentials, EEO Categories and overtime status. This document is an easy reference tool when researching ***Role*** information.